

REQUA SEES BENEFIT IN STOCK PROMOTION

Oil Director Approves of Wildcatting
and Newspaper Promotion of
Stock Selling.

But so Many Wildcats Are Failures
That Investors Should Be
Warned to Use Care.

World's Washington Bureau,
Fuel Building.

Washington, March 21.—In an interview with newspaper representatives here Mark L. Requa, director of the oil division of the fuel administration, takes the stand that wildcat wells are not entirely harmful and that the field is legitimate when the investor is allowed to know the whole truth. The oil director points out that this practice is part of the foundation of the oil industry.

"The problem of wildcat oil wells is an important one and cannot be lightly dismissed," said Mr. Requa. "A wildcat well is a well drilled in undeveloped territory without any certainty of finding oil. A company organized for the purpose of drilling such a well is called a wildcatting company. A man engaged in the drilling of such a well is called a wildcat. These terms are not discreditable but they are generally used as indicative perhaps of the uncertainties surrounding such operations."

Majority Are Failures.
By far the largest proportion of wildcat wells are failures, some people going even so far as to say that 99 per cent of the strictly wildcat

wells are negative in result. The 10 per cent remaining, however, is the foundation upon which the petroleum industry of this country is built. "There is a perfectly legitimate field open to the promoter who wildcats with the hope of big profits through final success. Operations of this kind are frequent through the organization of small companies and by the personal activity of the promoter among immediate friends and acquaintances and to a certain extent with the aid of newspaper advertising. Such promotion should be encouraged; the operations are usually conducted openly and above board, with the final profit depending upon the success of the enterprise."

"On the other hand there are great abuses through irresponsible promoters using newspaper space freely in issuing extensive prospectuses and exaggerated statements and presuming that there is no opportunity for failure. In many of these cases, even with the possible success of the well-drilling, the investor has very little chance for the return of his capital."

"As a general proposition, I believe that any prospective investor who has been told the whole truth as to the company whose stock he is purchasing, should be permitted to make the investment if he cares to take the chance. Of course, the important factor here is that he should be told the whole truth and that is seldom if ever done in ordinary oil advertising. The promoter should discuss fully the stock authorized by his company, in dollars and shares; how much promotion stock was issued and what value; the nature and terms of contract for land, setting forth prices to be paid, etc., as well as the promotion stock issued to the promoters. The amount or amounts to be paid for selling

the stock should be disclosed the amount expended for advertising, fees and similar expenses not directly connected with drilling should be disclosed and agreed upon.

"It might be wise to insist upon the promoter escrowing his stock and being prevented from selling it until after the property is on a paying basis."

DAMAGE VERDICT FOR \$9,000 AGAINST SAND SPRINGS LINE

Damages of \$9,000 for personal injuries received by the plaintiff, A. M. Woods, when he was struck by a street car on the Sand Springs railway line October 7, 1917, were awarded by a jury in district court Wednesday afternoon.

The suit began before Judge Raymond S. Cole Tuesday morning. Woods testified that he was walking along the track at a point between First and Second street when he was struck by the street car. He claimed the right of way of the Sand Springs line had been used for a long period of time as a thoroughfare for residents in the vicinity of the accident, and that he was injured through the negligence of agents of the defendant company in violating the city ordinances limiting the speed at which street cars may be operated within the city limits of Tulsa.

ASK RATE INCREASE TO KEEP UP WAGES

Louisville & Nashville Road Directors Say Government Operation Requires More Revenue.

LOUISVILLE, Ky., April 2.—Still further railroad rate increases are necessary to maintain higher wages for employees, in the opinion of the board of directors of the Louisville & Nashville railroad, whose report was submitted to the annual stockholders' meeting here today. The report showed an apparent net loss in income of more than \$3,000,000 for the year under government supervision as compared with the 1917 period under private ownership.

The public and the congressional mind has been more clearly impressed during 1918 with the great importance of railroad transportation and the necessity of its continued growth to keep pace with the development of country," says the report, which continues:

"The most serious problem which has been forced upon the railroads during federal administration under war conditions," it states, "is the enormous increase in wages which has also been the prime factor in increasing the cost of practically all materials."

"If these advances are to be permanent railroad freight and passenger rates must again be raised to yield a fair net return to the railroads."

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THEREFORE WE WILL HOLD AN

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SALE STARTS

Saturday Night at 7:30

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so many people get such real
enjoyment out of life!